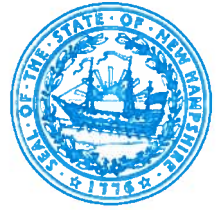




The State of New Hampshire  
**Department of Environmental Services**

**Clark B. Freise, Assistant Commissioner**



January 24, 2017

The Honorable Gary Daniels  
Chair, Senate Finance Committee  
Legislative Office Building, Room 103  
Concord, NH 03301

**RE: SB 57-FN-A – An act making appropriations to the department of environmental services for the purpose of funding eligible drinking water and wastewater projects under the state aid grant program.**

Dear Chair Daniels and Members of the Committee:

Thank you for the opportunity to comment on SB 57-FN-A. This bill would appropriate funds for eligible and completed wastewater projects under the state aid grant program. The New Hampshire Department of Environmental Services (NHDES) supports this bill as amended with the changes noted below, as it supports the state aid grant program in general.

The state aid grant program for water pollution control, authorized under relevant sections of RSA 486, is among the most important and successful environmental programs in the state's history. Over the past 50 years, more than \$400 million in aid has been granted to eligible New Hampshire entities to help offset the cost of local environmental infrastructure projects. Many of New Hampshire's communities would have found necessary environmental infrastructure projects unaffordable were it not for state aid grants. It is important to note that this investment in local infrastructure has unquestionably benefited the entire state in the form of a healthy and clean environment which not only benefits our New Hampshire residents but also draws many outdoor enthusiasts to the state and helps support our vital statewide tourism economy.

Funding for state aid grants has been made available to eligible entities through appropriations to the NHDES operating budget. NHDES is charged with administering this program and serves as the pass through agency for these funds.

Our recommended amendments to this bill are directly related to the language in Section 2 which states "Projects with warrant articles after December 31, 2008, that were completed before July 1, 2013, but without SAG application process and final certification for payment before July 1, 2013". Not all of the proposed listed projects in Section 2 of SB-57-FN-A meet this language. Therefore, we recommend deletion of the following projects:

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- Under Section 2 (line items 13 & 14) Nashua D2013-0808 CSO-004 Infrastructure Improvement Burke Street Phase 1 project does not meet the criteria of SB 57-FN-A as this project was not complete until April 30, 2014.
- Under Section 2 (line item 16) Newport 169-10 Wastewater Treatment Plant Upgrade project does not meet criteria of SB 57-FN-A. The project is still active and is not scheduled to be completed until 2020.

Upon review of projects that meet the criteria of this bill, NHDES recommends adding an additional project:

- Under Section 2 the Nashua 158-25 Harbor Avenue Area Sewer Separation project meets the criteria of SB 57-FN-A, and would result in appropriation of \$68,264 in FY 2018 and \$68,264 in FY 2019.

If the changes recommended above are made, with the two projects deleted and one project added, the appropriations would need to be adjusted as follows:

- Under Section 1 (line item 1), the appropriation would change from "1,498,670" to "1,506,882".
- Under Section 2 (line item 20) the FY2018 appropriation would decrease from "\$785,581" to "\$758,610", and the FY2019 appropriation would decrease from "\$775,243" to "\$748,272".

NHDES believes that enactment of this bill would represent an important step in the continuing effort to help our cities and towns offset the high cost of environmental infrastructure that benefits the entire state. Please feel free to call Eugene Forbes, Water Division Director, at 271-3308, or me at 271-2958, if you have any questions or need additional information.

Very truly yours,



Clark B. Freise  
Assistant Commissioner

cc: Sponsors of SB 57-FN-A: Sen. Bradley, Sen. Giuda, Rep. Buco, Rep. Umberger, Rep. Danielson, Rep. Rosenwald, Rep. L. Ober